

Attachment A

INTERSTATE REQUIREMENTS

<u>REQUIREMENT</u>	<u>APPROVED/ IMPLEMENTED</u>	<u>ORDER NUMBER</u>
Cost Allocation Manual (CAM)	April 15, 1997	DA 97-814
Interstate CCL Tariff Rate Reduction	April 15, 1997	DA 97-806
Deregulation/Reclassification of Payphone CPE	April 15, 1997	DA 97-814(1)
Interstate Tariffs for Unbundled Features	April 15, 1997	DA 97-806
CEI Plan	April 15, 1997	DA 97-795

(1) In order DA 97-814 released April 15, 1997, the FCC found that SWBT's current Cost Allocation Manual (CAM) satisfies the requirements of the Payphone Order. Per the CAM, effective April 15, 1997, SWBT reclassified the payphone assets in Account 2351 and the associated accumulated depreciation to nonregulated activities.

INTRASTATE REQUIREMENTS

<u>STATE</u>	<u>TARIFFS FOR BASIC SERVICES AND UNBUNDLED FEATURES</u>	<u>SUBSIDY ISSUE ADDRESSED</u>	<u>NEW SERVICES TEST</u>	<u>DOCKET/ ORDER NUMBER</u>
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(2) Interim approval granted effective April 15, 1997 subject to refund/true-up.

Ronald M. Jennings
Vice President-General Manager
Opr. Svcs. & Pub. Comm.

Southwestern Bell Telephone
17330 Preston Road
Dallas, Texas 75252
Phone 972 733-7008



June 4, 1997

Mr. Ron McClenan
Director - LEC Services
Excel Telecommunications, Inc.
8750 N. Central Expressway, Ste. 1700
Dallas, TX 75234

Dear Mr. McClenan:

Southwestern Bell Telephone Company (SWBT) hereby certifies that it has met the requirements established by the Federal Communications Commission to receive compensation from carriers. These requirements are set forth in the Report and Order (September 20, 1996), the Order on Reconsideration (November 8, 1996), and subsequent orders (April 4, 1997 and April 15, 1997). Specifically, SWBT certifies the following:

1. SWBT has an effective cost accounting manual (CAM) filing regarding payphone as a nonregulated service.
2. SWBT has an effective interstate CCL tariff reflecting a reduction for deregulated payphone costs and reflecting additional multi-line subscriber line charge (SLC) revenue.
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5. SWBT has in effect intrastate tariffs for basic payphone services (for "dumb" and "smart" payphones).
6. SWBT has in effect intrastate tariffs for unbundled functionalities associated with those lines.
7. SWBT has in effect interstate tariffs for unbundled functionalities associated with those lines. SWBT's January 15, 1997 filing complied with the FCC requirements.
8. SWBT has an approved Comparably Efficient Interconnection (CEI) Plan for basic payphone services and unbundled functionalities.
9. SWBT's intrastate payphone service tariffs meet the "new services test" as described at 47 C.F.R. Section 61.49(g)(2). SWBT submitted data to each of its State Commissions prior to April 15, 1997.

Accordingly, SWBT is in full compliance with the requirements set forth in the FCC's Payphone Orders. It is, therefore, eligible to receive compensation from carriers as of April 15, 1997. In accordance with the FCC's Payphone Orders, carriers are required to pay flat-rate compensation until October 7, 1997, and per call compensation thereafter. SWBT's compliance with the above requirements is further detailed in the attachments to this letter. Copies of referenced orders are also attached.

Sincerely,

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Ronald M. Jennings

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(2) Interim approval granted effective April 15, 1997 subject to refund/true-up.

Ronald M. Jennings
Vice President-General Manager
Opr. Svcs. & Pub. Comm.

Southwestern Bell Telephone
17330 Preston Road
Dallas, Texas 75252
Phone 972 733-7008



June 4, 1997

Ms. Ann Scott
Director - Carrier Relations
LCI International Telecom Corp.
8180 Greensboro Dr., Ste 800
McLean, VA 22102

Dear Ms. Scott:

Southwestern Bell Telephone Company (SWBT) hereby certifies that it has met the requirements established by the Federal Communications Commission to receive compensation from carriers. These requirements are set forth in the Report and Order (September 20, 1996), the Order on Reconsideration (November 8, 1996), and subsequent orders (April 4, 1997 and April 15, 1997). Specifically, SWBT certifies the following:

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(2) Interim approval granted effective April 15, 1997 subject to refund/true-up.

Ronald M. Jennings
Vice President-General Manager
Opr. Svcs. & Pub. Comm.

Southwestern Bell Telephone
17330 Preston Road
Dallas, Texas 75252
Phone 972 733-7008



June 4, 1997

Mr. Wayne C. Phipps
President & Chief Operating Officer
The Furst Group, Inc.
459 Oakshade Rd.
Shamong, NJ 08088

Dear Mr. Phipps:

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Vice President-General Manager
Opr. Svcs. & Pub. Comm.

Southwestern Bell Telephone
17330 Preston Road
Dallas, Texas 75252
Phone 972 733-7003



June 4, 1997

Mr. Brad Hill
G.E. Capital Communications Services Corp.
6540 Powers Ferry Road
Atlanta, GA 30339

Dear Mr. Hill:

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June 4, 1997

Mr. Bruce Campbell
Oncor Communications, Inc.
3530 Forest Lane, Ste. 195
Dallas, TX 75234-7910

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
)
Cost Allocation Manual Changes)
Required by Payphone Deregulation)
)

ORDER

Adopted: April 15, 1997

Released: April 15, 1997

By the Chief, Accounting and Audits Division:

1. On September 20, 1996, the Commission issued a Report and Order¹ implementing the pay telephone reclassification and compensations provisions of the Communications Act of 1934,² as amended by the Telecommunications Act of 1996.³ The *Payphone Order* required that incumbent local exchange carriers (ILECs) reclassify their payphone assets and related expenses to nonregulated status on April 15, 1997.⁴ Accordingly, the *Payphone Order* directed that "payphone investment and any other assets used in the provision of payphone service, along with the associated accumulated depreciation and deferred income tax liabilities should be directly assigned or allocated to nonregulated activities pursuant to our cost allocation rules."⁵ To ensure that this requirement is met, the *Payphone Order* required that ILECs "establish whatever Part 64 cost pools are needed" and "file revisions to their cost allocation manuals (CAMs) within sixty (60) days prior to the effective date of the change"⁶ and no later than February 14, 1997.⁷

¹ Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, CC Docket No. 96-128, FCC 96-388 (rel. Sept. 20, 1996) (*Payphone Order*); *Order on Reconsideration*, FCC 96-439 (rel. Nov. 8, 1996).

² 47 U.S.C. §§ 276(b)(1)(A)-(E) and 276(b)(2).

³ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996).

⁴ *Payphone Order* at para. 368.

⁵ *Payphone Order* at para. 163. See 47 C.F.R. § 64.901-903.

⁶ *Payphone Order* at para. 163. Our rules require that changes to the CAM's cost apportionment table and time reporting procedures must be filed at least 60 days before the carrier plans to implement the changes. 47 C.F.R. § 64.903(b).

2. We observe that the CAMs in effect for the following companies satisfy the requirements of the *Payphone Order*: Aliant Communications; Alltel Telephone Systems; Ameritech Operating Companies; Bell Atlantic Telephone Companies; BellSouth Telecommunications, Inc.; Cincinnati Bell Telephone Company; Citizens Telecommunications Company of New York; GTE Telephone Operating Companies; Nevada Bell; NYNEX Telephone Companies; Pacific Bell; Puerto Rico Telephone Company; Rochester Telephone Corp.; Southern New England Telephone Company; Southwestern Bell Telephone Company; United and Central Telephone Companies; and U.S. West, Inc.

3. Although the CAMs for the companies listed above are effective for purposes of the *Payphone Order*, certain changes in the cost allocation treatment of payphone assets and investment may be necessary to ensure uniformity among carriers and to address other concerns raised by commenters. We will address these issues in a subsequent order.

FEDERAL COMMUNICATIONS COMMISSION



Kenneth P. Moran
Chief, Accounting and Audits Division

⁷ *Payphone Order* at para. 369.



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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Report No. CCB/CPD-30

April 15, 1997

PROTESTED TARIFF TRANSMITTALS ACTIONS TAKEN

Pursuant to authority delegated under Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, the Competitive Pricing Division of the Common Carrier Bureau has reviewed the petitions to reject and the petitions to suspend and investigate the tariff transmittals listed in this Report:

We conclude that none of the parties filing petitions against the tariff transmittals listed in this Report have presented compelling arguments that these transmittals are so patently unlawful as to require rejection. Similarly, we conclude that none of these parties have presented issues regarding these transmittals that raise significant questions of lawfulness which require investigation of the tariff transmittals listed in this Report.

Accordingly, the petitions to reject or suspend and investigate the following tariff transmittals are denied, and these transmittals will, or have, become effective on the dates specified below. Applications for review and petitions for reconsideration of these decisions may be filed within 30 days from the date of this public notice in accordance with Sections 1.115 and 1.106 of the Commission's Rules, 47 C.F.R. §§ 1.115, 1.106.

Additional information about a particular tariff transmittal may be obtained from the contact person at (202) 418-1540.

CARRIER:	- Ameritech Operating Companies
TRANSMITTAL(s):	Transmittal Nos. 1037 and 1055, Tariff F.C.C. No. 2
SUBJECT:	Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s):	AT&T Corporation and MCI Telecommunications Corporation
EFFECTIVE DATE:	April 15, 1997
CONTACT:	R.L. Smith

CARRIER: Bell Atlantic Telephone Companies
TRANSMITTAL(s): Transmittal No. 931, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): AT&T Corporation, MCI Telecommunications Corporation and Sprint Communications Company
EFFECTIVE DATE: April 15, 1997
CONTACT: Eugene Gold

CARRIER: Century of Ohio, Inc.
TRANSMITTAL(s): Transmittal Nos. 27 and 28, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): American Public Communications Council
EFFECTIVE DATE: April 15, 1997
CONTACT: Steve Funkhouser

CARRIER: -Century of Wisconsin, Inc.
TRANSMITTAL(s): Transmittal No. 8, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): American Public Communications Council
EFFECTIVE DATE: April 15, 1997
CONTACT: Steve Funkhouser

CARRIER: Cincinnati Bell Telephone
TRANSMITTAL(s): Transmittal No. 699, Tariff F.C.C. No. 35
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): AT&T Corporation and Sprint Communications Company
EFFECTIVE DATE: April 15, 1997
CONTACT: Steve Funkhouser

CARRIER: Citizens Telecommunications Companies
TRANSMITTAL(s): Transmittal Nos. 33 and 34, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): American Public Communications Council and AT&T Corporation
EFFECTIVE DATE: April 15, 1997
CONTACT: R.L. Smith

CARRIER: - Fidelity/Bourbeuse Telephone Companies
TRANSMITTAL(s): Transmittal No. 39, Tariff F.C.C. No. 3
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): American Public Communications Council
EFFECTIVE DATE: April 15, 1997
CONTACT: Jim Lichford

CARRIER: Frontier Communications of Minnesota & Iowa
TRANSMITTAL(s): Transmittal No. 6, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): American Public Communications Council
EFFECTIVE DATE: April 15, 1997
CONTACT: Steve Funkhouser

CARRIER: GTE System Telephone Companies
TRANSMITTAL(s): Transmittal No. 198, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): AT&T Corporation and MCI Telecommunications Corporation
EFFECTIVE DATE: April 15, 1997
CONTACT: Jim Lichford

CARRIER: -GTE Telephone Operating Companies
TRANSMITTAL(s): Transmittal No. 1077, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): AT&T Corporation and MCI Telecommunications Corporation
EFFECTIVE DATE: April 15, 1997
CONTACT: Jim Lichford

CARRIER: Illinois Consolidated Telephone Company
TRANSMITTAL(s): Transmittal No. 90, Tariff F.C.C. No. 2
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): American Public Communications Council
EFFECTIVE DATE: April 15, 1997
CONTACT: Jim Lichford

CARRIER: John Staurulakis, Inc.
TRANSMITTAL(s): Transmittal No. 20, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): American Public Communications Council
EFFECTIVE DATE: April 15, 1997
CONTACT: Eugene Gold

CARRIER: LaFourche Telephone Company
TRANSMITTAL(s): Transmittal No. 18, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): American Public Communications Council
EFFECTIVE DATE: April 15, 1997
CONTACT: Jim Lichford

CARRIER: National Exchange Carrier Association
TRANSMITTAL(s): Transmittal No. 737, Tariff F.C.C. No. 5
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): American Public Communications Council and MCI Telecommunications Corporation
EFFECTIVE DATE: April 15, 1997
CONTACT: Eugene Gold

CARRIER: Nevada Bell
TRANSMITTAL(s): Transmittal No. 223, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): AT&T Corporation and MCI Telecommunication Corporation
EFFECTIVE DATE: April 15, 1997
CONTACT: Steve Funkhouser

CARRIER: NYNEX Telephone Companies
TRANSMITTAL(s): Transmittal No. 443, Tariff F.C.C. No. 1
SUBJECT: Implementation of the Commission's Orders Regarding Pay Telephone Reclassification and Compensation
PETITIONER(s): MCI Telecommunications Corporation and Sprint Communications Company
EFFECTIVE DATE: April 15, 1997
CONTACT: Jim Lichford
